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CENTRAL INTELLIGENCE AGENCY

8 December 1954

MEMORANDUM FOR: Mr. Allan Evans (OIR)

Lt. Colonel Paul S. Reinecke, USA (G-2)

Captain B. E. Wiggin, USN (ONI)

Colonel William S. Boyd, USAF (AFOIN-2B2)

Colonel Floyd E, Dunn, USA (JIG)

SUBJECT

: NIE 22-54: Probable Developments in France

- 1. The attached terms of reference were agreed on at the meeting of the IAC representatives on Tuesday, 7 December.
- 2. All agencies are invited to contribute to any section within their competence to do so.
- 3. It is requested that contributions be received in this office by the close of business on Wednesday, 5 January.

Tome a. Rorel

PAUL A. BOREL Deputy Assistant Director National Estimates

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REVIEWER:

CENTRAL INTELLIGENCE AGENCY

8 December 1954

SUBJECT: TERMS OF REFERENCE: NIE 22-54: PROBABLE DEVELOPMENTS IN FRANCE

THE PROBLEM

To assess the present situation and to estimate French domestic developments and foreign policy over the next several years.

SCOPE

NIE 22-54 is designed to supersede NIE-63, "France's probable Future Role in the Western Security System" (23 January 1953), and NIE-63/1, "Probable Short-Term Developments in French Policy" (1 December 1953). Portions of these appear still pertinent. However, out requirements call for an assessment of France's position neither as detailed as NIE-63 nor as specialized as NIE-63/1. We therefore are not employing the usual revision procedure.

QUESTIONS BEARING ON THE PROBLEM

I. WHAT ARE THE PROSPECTS FOR FRENCH RATIFICATION OF THE LONDON AND PARIS ACCORDS?

Except as otherwise noted, the following questions assume the ratification of the London and Paris Accords.*

II. POLITICAL TRENDS

- A. Is the Mendes-France "experiment" the beginning of a major overhauling of the Fourth Republic, or is it a temporary aberration in a continuing series of weak postwar coalitions? Has Mendes-France acquired a strong popular following? What effect has he had on the strength and policies of the non-Communist parties? How long is he likely to remain in office? What governments are likely to succeed him prior to the 1956 elections? What are the prospects for a true left-center coaliton? For a "popular front" government either supported by or including the Communists?
- B. What is the likely outcome of the 1956 elections? What electoral procedures will be used? Is further Gaullist disintegration likely? What political groups are likely

^{*} The D/I, USAF representative favors the elimination of this assumption in order that the consequences of French acceptance or non-acceptance of the Paris agreements may be fully examined in all facets of French foreign policy, military trends, etc. The consequences of French nonacceptance should not be assumed out of this stage in the development of this estimate.

to benefit most from a further disintegration of the Gaullists? Will the "Classical Right" move further toward the right? What are Communist prospects in the elections? What are the prospects of the MRP? Of the Socialists?

- C. In general, what is the likely character of French governments in the post-election period? What is the prospect for
 stable government? Is continuation of some form of center
 coalition most probable? What are the prospects for an extremist government? For either a Communist or rightist coup?
- D. What are the prospects for constitutional reforms?

III. TRENDS IN COMMUNIST STRENGTH

A. What are the probable trends in Communist strength over the next several years? What capabilities will the Communists be able to exercise? Will they increase their predominance in the trade union movement? Will they have greater success in organizing strikes? Are they likely to make gains in political respectability? What are their likely policies toward

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North Africa and Indochina? What effects will those parties policies have on their domestic position and objectives?

B. What are the implications of the Dides affair? What steps will French governments take to combat Communist internal influence and subversion over the next several years? What elements in France favor such anti-Communist measures? How successful would such actions be?

IV. ECONOMIC AND SOCIAL TRENDS

- A. What are the reasons for France's present improved economic position? To what degree are they of uncertain duration?

 What is the role of US aid, both direct and indirect? What is the extent and importance of French economic interests abroad, especially in North Africa and Indochina? What is the effect of French control of the Saar?
- B. What have been the effects of the Mendes-France economic policies thus far? In what respects do these policies differ from those of previous governments? Are there substantial differences between the views of Mendes-France and Faure? How

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far is Mendes-France likely to get with his economic program?

Are successor governments likely to continue the reformist trend?

- C. Assuming continued center governments, what are France's economic prospects over the next several years? Probable rate of economic growth? What is the likelihood of substantial modernization of the economy? Of a more equitable distribution of the national income? What are probable foreign trade policies? What are the prospects for devaluation? What is the outlook for substantial reduction of budgetary deficits? What relative budgetary provisions are likely to be made for military expenditures, investment, social services, etc.?
- D. What has been the effect of the present government's actions on French social groups? What are the prospects for the working class gaining a larger share of the national income? What are prospects for a more rational distribution of the tax burden? What is the likely trend in trade union strength and influence? What are the prospects for labor unrest substantial enough to disrupt the balance of social forces?

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V. TRENDS IN MILITARY STRENGTH

- A. In general, what are the present levels, effectiveness, and deployment of French military forces? What proportion of forces is derived from overseas manpower (including Algerians)? What are, and what will be the effects of the Indochina and North African situations on the French military posture? What is the extent of Communist infiltration of French forces?
- B. In view of declining defense expenditures, what are likely developments with respect to the size, effectiveness, and deployment of French military forces? Is France likely to fulfill its NATO commitments through 1957? Are French contributions to NATO likely to be reduced substantially below present goals? What plans exist for utilizing France's trained reserves? What is the outlook with respect to French military research and development? What are the prospects for France increasing its nuclear weapons capabilities?

VI. PROBABLE TRENDS IN FRENCH FOREIGN POLICY

A. Probable Trends in French Attitudes and Morale

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- and of France's role in it? What do the French regard as their potential for protecting and improving France's power status? To what extent is nationalism in France likely to be a major force in French attitudes?
- 2. How might a prolonged period of reduced tensions affect

 French attitudes and policies? Under what circumstances

 might neutralist sentiment increase?
- of the continued growth of Soviet nuclear capabilities

 (including potential missile delivery)? Will it diminish

 French willingness to support the US in meeting cold war

 threats?
- 4. In view of the above, what are probable trends in French morale and will-to-fight in event of war?

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- B. French Attitude toward the Atlantic Alliance
- 1. What are French attitudes toward the US and the UK? What relative emphasis do the French give their relations with each? To what degree and in which areas do the French regard the British alliance as a counterweight to US influence?
- 2. Will France continue to regard the Atlantic alliance as fundamental to its security and power status?

 Will it seek to strengthen NATO activities? Are the French likely to regard NATO as a brake on US policy?

 Under what circumstances might France change its attitude toward US bases and facilities on its territory? Toward NATO membership itself?
- C. French Policy toward Germany
- How acute are French fears of a revived Germany -divided or reunified -- and how do they affect French policies? Do the French fear Germany more than the USSR, both in the short and longer term?

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- 2. What is likely French policy toward West Germany following its entry into NATO and WEU? Will the French seek to use those organizations to prevent further expansion of West German power and influence? How far will France be willing to go toward improving Franco-German relations? Will the Saar continue to be a serious source of friction? What would be the French attitude toward an attempt by West Germany to use its new status for negotiations on reunification? Will German membership in NATO stimulate France to make a larger defense contribution?
- 3. What would be French policy toward West German sovereignty and rearmament if the Paris Agreements were rejected by the French Parliament? If rejected by the West German Parliament?

D. Policy toward the USSR

What is the likely course of French policy toward the USSR? What is the likelihood that France would press for a four-power conference on terms unacceptable

to the US and UK? In the event of a conference, would France be likely to accept Soviet proposals which were rejected by the US and the UK? What are the chances that Francé might seek a bilateral accommodation with the Soviet Bloc?

E. Attitude toward Western European Integration

Will French nationalism and European supranational institutions prove incompatible over the next several years? What will be France's attitude toward further integration? Toward existing institutions, such as the CSC? What will be the French view of WEU as a possible instrument of integration?

F. Policies toward French overseas Territories

What is the attitude of the French toward their overseas possessions and interests? What role do the French assign those possessions in support of the metropole? What plans exist for implementing that role?

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- effect of continuing Algerian disturbances on
 French policy? What are the prospects for
 successful Franco-Tunisian negotiations? What
 actions are the French likely to take to resolve
 the Moroccan problem? What is the likely character
 of French relations with the Arab States? Under what
 circumstances might France change its attitude toward
 US bases and facilities?
- 2. Policy toward Indochina. What will be the dominant French military, economic, political, and cultural objectives in Indochina through 1956? In the longer term? Under what circumstances would the French cooperate whole-heartedly with the US in Indochina? Under what circumstances would they take actions contrary to US policy? Under what conditions might they seek to relieve themselves of responsibility and pull out of Indochina?

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VII PROSPECTS FOR A REDRESSEMENT IN FRANCE

In the light of I-V above, what are the prospects for a domestic <u>redressement</u> in France? For a revision of Social and economic attitudes and institutions which will permit modernization of the economy and a stronger political and social framework to emerge? Or is France likely to remain for the foreseeable future one of the chief "problem areas" of Western Europe?

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